



# **ARIZONA FIRE & MEDICAL AUTHORITY**

## **BUDGET AND FINANCE COMMITTEE**

### **MEETING MINUTES**

**Tuesday, June 16, 2020**

### **MINUTES**

**1. CALL TO ORDER / ROLL CALL OF BOARD MEMBERS / AFFIRMATION OF QUORUM**

Committee Chairperson Miller called the meeting to order on Tuesday, June 16, 2020, at 2:03 p.m. at the **Arizona Fire & Medical Authority Administrative Office, 18818 N. Spanish Garden Drive, Sun City West, Arizona 85375.**

Members Present: Committee Chairperson Dawn Miller and Committee Members John Crawford and Diane Price

Members Absent: None

Staff Present: Fire Chief Rob Biscoe, Assistant Chief Mary Dalton, Division Chief Brad Puckett, Finance Manager Diane Goke, Administrative Manager Deborah Musselman, Legal & Intergovernmental Affairs Director Lee Miller, and Authority Clerk Dusty Christopherson

Legal Counsel: N/A

Public Comment: None

Media Present: None

Guests Present: North County Fire & Medical District Board Member Tony Sambol and South County Fire & Medical District Board Member Bill Becker

**2. REGULAR BUSINESS**

A. Approve Budget and Finance Committee Meeting Minutes of February 18, 2020.

**Committee Member Crawford moved that the Budget and Finance Committee Meeting Minutes of February 18, 2020 be approved. Committee Member Price seconded the motion.**

Vote conducted. **MOTION CARRIED.**

AYES: Crawford, Miller, Price

NAYS: None

ABSENT: None

- B. Review South County Fire & Medical District, North County Fire & Medical District, and Arizona Fire & Medical Authority Financial Reports for May 2020, and forward to the full Boards for approval.

Diane Goke, Finance Manager presented the May 2020 financial reports for the South County Fire & Medical District, the North County Fire & Medical District and the Arizona Fire & Medical Authority and answered any questions from Board Members. Ms. Goke noted that due to COVID-19 the ambulance transport volume is down, which will reflect on the coming months financial statements. In addition, Staff is preparing for a potential downturn in property tax collection rates.

Committee Chairperson Miller noted that given the COVID-19 circumstances and all that is still unknown the financial reports and current year funding and income levels still look good and that no outliers can be identified in the reports.

**Committee Member Crawford moved that the Budget and Finance Committee recommend that the South County Fire & Medical District Governing Board, the North County Fire & Medical District Governing Board and the Arizona Fire & Medical Authority Governing Board approve the May 2020 Monthly Financial Reports and account reconciliations per Arizona Revised Statutes including, but not limited to the following: Register of Checks, Warrants, & Deposits; Statement of Financial Activities; Statement of Net Assets; and Cash Flow Projection Report. Committee Chairperson Miller seconded the motion.**

Vote conducted. **MOTION CARRIED.**

AYES: Crawford, Miller, Price

NAYS: None

ABSENT: None

- C. Receive update on Fiscal Year 2020/21 Budget & Operational Plan

Ms. Goke provided an update on the Fiscal Year 2020/21 Budget & Operational Plan. Ms. Goke stated that the tentative budget was posted for the public to review and will remain up until the formal public hearing for final budget adoption on June 23, 2020.

D. Discuss debt refinance proposals and possible construction of a Maintenance/Warehouse/Training Facility.

Ms. Goke stated that at the Arizona Fire & Medical Authority (AFMA) Governing Board meeting on May 26, 2020, the Board adopted Resolution No. AF20-0526-1 authorizing the firm of Stifel, Nicolaus & Company, Inc. to solicit bids for debt refinancing. Ms. Goke noted that the current market conditions provided the Authority with the ability to significantly reduce the interest rate of the current debt holdings. Ms. Goke stated that the proposals are due to Authority Staff by June 17, 2020, and once they are received Staff will provide them to the AFMA Governing Board for consideration.

Rob Biscoe, Fire Chief clarified that to best leverage the opportunity presented with the current lower market interest rates, Staff is seeking approval to refinance existing debt, and leverage the cost savings with additional borrowing in order to construct a Maintenance/Warehouse/Training facility on a portion of the property that Station 104 is located on. The Maintenance/Warehouse/Training facility would house most facets of the Support Services and Training Divisions under one roof, greatly improving the workflow, efficiency, and accountability of the Divisions. This new facility would also eliminate the need for the leased office space located across the street from the Authority's Administrative facility saving AFMA over \$40,000 per year.

Chief Biscoe noted that the proposed new facility could be constructed, potentially in phases depending on costs, to accommodate the Authority's current and future maintenance, warehouse, and training needs. The Support Services Division portion of the proposed facility is expected to include fleet repair, fleet parts, fleet fabrication, tire storage, facilities repair, facilities storage, radio repair and storage, self-contained breathing apparatus (SCBA) repair and storage, wildland equipment repair and storage, personal protective equipment (PPE) repair and storage, fire hose repair and storage, shipping and receiving, station supply storage and distribution, Emergency Medical Services (EMS) supply storage and distribution, and necessary office space. The Training Division portion of the proposed facility would include training room(s), training equipment repair and storage and office space.

Beyond the initial scope of the project and very preliminary architect and contractor assessments, no additional details regarding the proposed facility are available at this time. The potential refinance options are being fast tracked in order to potentially take advantage of the currently record low interest rates. If the refinance proposal with the additional funding is approved, the Authority would then design the facility based on the available funding.

In response to an inquiry, Chief Biscoe clarified that if an AMFA apparatus or vehicle cannot be repaired at the station assigned, it would be brought to the larger facility at Station 104 for repairs. The vision for this larger maintenance and training facility is that it is a shared with other jurisdictions as part of a shared services model.

At a future Authority Board meeting, the necessary consultants required to create the design and construction package would be approved. Several months later, the final

design and budget proposals would be presented to the Board for final approval before moving into the construction phase of the process.

E. Receive update on existing and planned grant applications.

Mary Dalton, Assistant Chief provided an update to the Governing Board on the existing and planned grant applications, noting that the Authority applied for a Federal Emergency Management Agency (FEMA) Assistance to Firefighter Grant (AFG) for Coronavirus Aid, Relief, and Economic Security (CARES) Act. This funding can be used for personal protective equipment needs.

In addition, the Authority applied for a FEMA Fire Prevention and Safety Activity (FP&S) grant for education and awareness for high-risk target groups and mitigate the incidence of death, injuries and property damage caused by fire and fire-related hazards.

Assistant Chief Dalton noted that Staff has requested letters of support from our Legislative Representatives to be included the all grant applications.

3. **SUGGESTED ITEMS FOR FUTURE BUDGET AND FINANCE COMMITTEE MEETING AGENDAS**

Committee Member Crawford requested information relating to wildland deployments so far this fire season.

4. **ADJOURNMENT**

The meeting adjourned at 2:42 p.m.

*Dawn Miller*

Dawn Miller (Jul 27, 2020 20:30 PDT)

Dawn Miller, Committee Chairperson

# June 16 2020 Minutes - Budget and Finance Committee Meeting

Final Audit Report

2020-07-28

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